



Registration of a Charge

Company name: **ELEPHANT AND CASTLE PROPERTIES LIMITED**

Company number: **04434716**



X9BDQ3H5

Received for Electronic Filing: **13/08/2020**

Details of Charge

Date of creation: **04/08/2020**

Charge code: **0443 4716 0006**

Persons entitled: **ELEPHANT & CASTLE PROPERTIES CO. LIMITED**

Brief description: **LEASEHOLD PROPERTY KNOW AS ELEPHANT AND CASTLE SHOPPING CENTRE, ELEPHANT AND CASTLE, LONDON (SE1 6TE) REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER TGL340344, LEASEHOLD PROPERTY KNOWN AS 114-119, THE ARCHES, NEW KENT ROAD, LONDON, REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER TGL326219. PLEASE REFER TO THE CHARGE FOR FURTHER DETAILS.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **OLIVER ELLINGTON**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4434716

Charge code: 0443 4716 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th August 2020 and created by ELEPHANT AND CASTLE PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th August 2020 .

Given at Companies House, Cardiff on 14th August 2020

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATE: 4 August 2020

DEBENTURE

Between

ELEPHANT AND CASTLE PROPERTIES LIMITED
(as Chargor)

and

ELEPHANT & CASTLE PROPERTIES CO. LIMITED
(as Chargee)

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THIS DEED is made on

4 August

2020

BETWEEN:

- (1) **ELEPHANT AND CASTLE PROPERTIES LIMITED** (registered in England and Wales with registration number 04434716) (the “Chargor”);
- (2) **ELEPHANT & CASTLE PROPERTIES CO. LIMITED** (registered in the British Virgin Islands with registration number 1810065) (the “Chargee”).

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the Finance Documents (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed the following words and expressions shall have the following meanings unless the context otherwise requires:

“**Act**” means the Law of Property Act 1925;

“**Administrator**” means any administrator(s) appointed pursuant to the provisions of the Insolvency Act 1986;

“**Assigned Intellectual Property Rights**” means such of the Intellectual Property Rights as are assigned to the Chargee under this Deed;

“**Authorisation**” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in the British Virgin Islands;

“**Event of Default**” means any event, act, occurrence or omission described as such in a Finance Document or any event act, occurrence or omission upon which any of the Secured Liabilities may be declared, or become automatically, due and payable;

“**Finance Documents**” means this Deed, any loan agreement pursuant to which the Chargee lends to the Chargor, any bond or note issued by the Chargor to the Chargee and any other document creating or governing the Secured Liabilities or evidencing security in respect of the Secured Liabilities or any of them;

“**Intellectual Property Rights**” means all patents (including applications (and any goodwill associated with such applications), improvements, prolongations, extensions and rights to apply for them in any part of the world), designs (whether registered or unregistered), copyrights and rights in the nature of copyright, design rights, trade marks and service marks (whether registered or unregistered), utility models (in each case for their full period and all extensions and renewals of them), trade names, business names, domain names and brand names, know-how, formulae, confidential information, trade secrets, computer software programs and systems and any similar rights existing in any country (including the benefit of any licences or consents relating to any of

the above) and all fees, royalties or other rights derived from them or incidental to them in any part of the world;

“Occupational Lease” means any lease, agreement for lease, licence or other occupational interest subject to which the Chargor’s interest in the Mortgaged Property (as defined in clause 5.1) is held now or in the future including any guarantee and rent deposit arrangements entered into under the terms of them;

“Party” means a party to this Deed;

“Receiver” means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed;

“Secured Liabilities” means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally in any capacity whatsoever) of the Chargor which are, or are expressed to be, or may become due, owing or payable to the Chargee except for any obligation or liability which, if it were so included, would cause that obligation or liability or any security in respect thereof, to be unlawful or prohibited by any applicable law, together with all costs, charges and expenses incurred by the Chargee in connection with the protection, preservation or enforcement of its rights;

“Security Assets” means all the assets of the Chargor which are the subject of any security created or constituted by this Deed;

“Security Period” means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

“Subsidiary” means:

- (a) subsidiary within the meaning of section 1159 of the Companies Act 2006; and
- (b) unless the context requires otherwise, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

1.2 Construction

1.2.1 In this Deed (unless the context requires otherwise):

- (a) the terms of the other Finance Documents and of any side letters between any Parties in relation to any Finance Documents are incorporated in this Deed to the extent required to ensure that any purported disposition is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989;
- (b) if the Chargee considers an amount paid to it under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed;
- (c) each of the **“Chargor”** and the **“Chargee”** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (d) any reference to a document **“in agreed form”** is a document which is previously agreed in writing by or on behalf of the Chargor and the Chargee or, if not so agreed, is in the form specified by the Chargee;

- (e) the term “**this Security**” means any security created or constituted by this Deed;
- (f) any covenant or undertaking of the Chargor (other than a payment obligation) remains in force during the Security Period;
- (g) a reference to any document, agreement or instrument is a reference to that document, or agreement or instrument as supplemented, amended or novated (however fundamentally) or replaced including, without limitation, any amendment, supplement, novation or replacement providing for further advances;
- (h) any reference to a “**Security Asset**” includes the proceeds of sale of that “**Security Asset**”;
- (i) a reference to any asset, unless the context otherwise requires, includes any present or future asset;
- (j) includes the other gender;
- (k) person being an “**associate**” of another shall be interpreted in accordance with section 435 of the Insolvency Act 1986, and a person shall be regarded as “**connected**” or “**associated**” with any person which is an associate of his and with any company of which any director is an associate of his;
- (l) statute, statutory provision, subordinate legislation, code or guideline (“**legislation**”) is a reference to such legislation as amended and in force from time to time and to any legislation which re-enacts or consolidates (with or without modification) any such legislation;
- (m) shall not apply and accordingly general words introduced by the word “**other**” or any similar word, or followed by the words “**including**”, “**includes**”, “**include**”, “**in particular**” or any similar words, shall not be given a restricted meaning because they are preceded or followed by more specific words;
- (n) “**disposal**” includes any sale, lease, sub-lease, assignment or transfer, the grant of an option or similar right, the grant of any easement, right or privilege, the creation of a trust or other equitable interest or security right in favour of a third party, a sharing or parting with possession or occupation whether by way of licence or otherwise and (without prejudice to the generality of the foregoing) in the case of Intellectual Property Rights the granting of use of or access to any other person and “**dispose**” and “**disposition**” shall be construed accordingly; and
- (o) the Finance Documents (as appropriate) have, unless expressly agreed defined in this Deed, the same meaning in this Deed.

1.2.2 The Schedules and recitals form an integral part of this Deed and shall have effect as if set out in full in the body of this Deed and any reference to this Deed includes the Schedules and recitals.

1.2.3 This Deed may be subject to any subordination arrangements pursuant to any financing entered into between the Chargor and any third party.

2. CREATION OF SECURITY

2.1 General

2.1.1 All the security created under this Deed:

- (a) is created in favour of the Chargee;
- (b) is created over present and future assets of the Chargor;
- (c) is security for the payment and satisfaction of all the Secured Liabilities;
- (d) is created by the Chargor to the extent of its interest whether joint or several, legal or beneficial; and
- (e) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.2 Land

2.2.1 The Chargor charges:

- (a) by way of a first legal mortgage all estates or interest in any freehold or leasehold property now owned by it; this includes the real property (if any) specified in Schedule 1 (Real Property); and
- (b) (to the extent that they are not the subject of a mortgage under Clause 2.2.1(b)) by way of first fixed charge all estates or interest in any freehold or leasehold property now or subsequently owned by it.

2.2.2 A reference in this Deed to a mortgage or charge of any freehold or leasehold property includes:

- (a) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
- (b) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any monies paid or payable in respect of those covenants.

2.2.3 The Chargee hereby consents, as landlord of the Mortgaged Property specified in Schedule 1 (Real Property), to the Chargor granting security over such Mortgaged Property in favour of the Chargee.

2.3 Securities

The Chargor charges by way of first fixed charge:

- 2.3.1 its interest in all shares, stocks, debentures, bonds or other securities and investments owned by it or held by any nominee on its behalf; and
- 2.3.2 any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

2.4 Plant and machinery

The Chargor charges by way of first fixed charge all plant and machinery owned by it and its interest in any plant or machinery in its possession.

2.5 Credit balances

The Chargor charges by way of first fixed charge all of its rights in respect of any amount standing to the credit of any account (including any account contemplated by this Deed) it has with any person and the debt represented by it.

2.6 Book debts etc.

The Chargor charges by way of a first fixed charge:

2.6.1 all of its book and other debts;

2.6.2 all other moneys due and owing to it; and

2.6.3 the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under Clause 2.6.1 or 2.6.2.

2.7 Intellectual Property Rights

The Chargor charges by way of first fixed charge, all the Intellectual Property Rights for the time being owned, possessed or controlled by it and (to the extent that any Intellectual Property Rights are not capable of being charged, whether by lack of any third party consent which is required or otherwise) assigns absolutely (to the extent that any Intellectual Property Rights are capable of being assigned) all of its right, title and interest in the Intellectual Property Rights and any and all damages, compensation, remuneration, profit, rent or income which it may derive from the Intellectual Property Rights or be awarded or entitled in respect of such Intellectual Property Rights.

2.8 Insurances

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest.

2.9 Hedging

Each Chargor assigns absolutely, subject to a provision for re-assignment on redemption, all of its rights under any hedging arrangements to which it is a party.

2.10 Other contracts

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights, title and interest:

2.10.1 in respect of all rental and other income from the Mortgaged Property (as defined in Clause 5.1);

2.10.2 under any Occupational Lease; and

2.10.3 under any licence or agreement to which it is a party except to the extent that it is subject to any fixed security created under any other term of this Clause.

2.11 Miscellaneous

The Chargor charges by way of first fixed charge:

2.11.1 any benefit, interest, claim or entitlement it has in any pension fund;

2.11.2 its goodwill;

2.11.3 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;

2.11.4 the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in Clause 2.11.3; and

2.11.5 its uncalled capital.

2.12 Separate charges

Each of the charges referred to in Clauses 2.2 (Land) to 2.11 (Miscellaneous) (inclusive) shall be read and construed as, and deemed to be separate charges over each of the items mentioned in each such Clause, so that each item mentioned in each Clause shall be deemed to be subject to a separate charge. Without limiting the previous sentence, if any such item shall be found to be subject to a floating charge and not to a fixed charge, such finding shall not of itself result in any other such item being deemed to be subject to a floating charge (as opposed to a fixed charge).

2.13 Floating charge

2.13.1 The Chargor charges by way of a first floating charge all its assets and undertakings not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause.

2.13.2 Except as provided below, the Chargee may by notice to the Chargor convert the floating charge created by this Clause into a fixed charge as regards the Chargor's assets specified in that notice, if:

- (a) an Event of Default is outstanding; or
- (b) the Chargee considers those assets to be in jeopardy, whether in danger of being seized or sold under any form of distress, execution or other legal process or otherwise.

2.13.3 The floating charge created by this Clause may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium, under the Insolvency Act 2000.

2.13.4 The floating charge created by this Subclause will automatically convert into a fixed charge over those assets of the Chargor from time to time subject to a floating charge pursuant to this Deed (the "Floating Charge Assets"):

- (a) if steps are taken to appoint an administrator or to issue a notice of intention to appoint an administrator;
- (b) if the Chargor creates or attempts to create any Security over all or any of the Floating Charge Assets; or
- (c) if any person levies or attempts to levy any distress, execution, sequestration or other process against any of the Floating Charge Assets.

2.13.5 Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this Deed which floating charge is accordingly a qualifying floating charge for such purposes.

3. REPRESENTATIONS – GENERAL

3.1 Nature of Security

The Chargor represents to the Chargee that this Deed creates the security it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise.

3.2 Times for making representations

3.2.1 The representations set out in this Deed (including, without limitation, in Clause 3.1 (Nature of security) and Clause 6.2 (Investments)) are made on the date of this Deed.

3.2.2 Unless a representation is expressed to be given at a specific date, each representation under this Deed is deemed to be repeated by the Chargor on the date of this Deed and the first day of each calendar month.

3.2.3 When a representation is repeated, it is applied to the circumstances existing at the time of repetition.

4. RESTRICTIONS ON DEALINGS

4.1 Security

Except as expressly allowed in the Finance Documents, the Chargor shall not without the prior written consent of the Chargee create or permit to subsist in favour of any person, other than the Chargee, any security on any Security Asset (except for this Security or pursuant to any financing to which the Finance Documents are subordinated).

4.2 Disposals

Except as expressly allowed in the Finance Documents, the Chargor shall not without the prior written consent of the Chargee sell, transfer, licence, lease or otherwise dispose of or agree to sell, transfer, licence, lease or otherwise dispose of any Security Asset, except for the disposal in the ordinary course of trade of any Security Asset subject only to an uncrystallised floating charge created under this Deed and not expressed in this Deed to be subject to a fixed charge under Clauses 2.2 to 2.13 (inclusive).

5. LAND

5.1 General

In this Clause:

“**Fixtures**” means all fixtures and fittings and fixed plant and machinery on the Mortgaged Property; and

“**Mortgaged Property**” means all freehold or leasehold property included in the definition of Security Assets.

5.2 Notices to tenants

The Chargor must upon request by the Chargee:

5.2.1 immediately serve a notice of assignment, substantially in the form of Part I of Schedule 2 (Forms of letter for occupational tenants), on each tenant of the Mortgaged Property; and

5.2.2 use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part II of Schedule 2 (Forms of letter for occupational tenants, occupiers and other users).

5.3 Acquisitions

If the Chargor acquires any freehold or leasehold property after the date of this Deed it must:

- 5.3.1 notify the Chargee immediately;
- 5.3.2 immediately on request by the Chargee and at the cost of that Chargor, execute and deliver to the Chargee a legal mortgage in favour of the Chargee of that property in any form which the Chargee may require;
- 5.3.3 if the title to that freehold or leasehold property is registered at Land Registry or required to be so registered, give Land Registry written notice of this Security; and
- 5.3.4 if applicable, ensure that this Security is correctly noted in the Register of Title against that title at Land Registry.

5.4 Land Registry

The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at Land Registry:

“No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated ^{4 August 2020} ~~10~~ in favour of Elephant & Castle Properties Co. Limited referred to in the charges register or, if appropriate, signed on such proprietor’s behalf by its conveyancer.”

5.5 Deposit of title deeds

The Chargor must upon request by the Chargee deposit with the Chargee all deeds and documents of title relating to the Mortgaged Property including, without limitation, any lease or licence or other right of occupation or right to receive rent to which the Mortgaged Property may at any time be subject and all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of the Chargor.

5.6 Indemnity

The Chargor shall punctually pay and indemnify the Chargee and any Receiver against all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever (whether imposed by agreement, statute or otherwise) now or at any time during the continuance of this Security payable in respect of any of the Mortgaged Property or any part of it or by the owner or occupier of it.

6. SECURITIES

6.1 General

In this Clause:

“Investments” means:

- (a) all shares, stocks, debentures, bonds or other securities and investments included in the definition of Security Assets in Clause 1 (Definitions and interpretation);
- (b) any dividend or interest paid or payable in relation to any of the above; and
- (c) any right, money or property accruing or offered at any time in relation to any of the above by way of redemption, substitution, exchange, bonus or preference under option rights or otherwise.

6.2 Investments

The Chargor represents to the Chargee that:

- 6.2.1 the Investments are fully paid; and
- 6.2.2 it is the sole legal and beneficial owner of the Investments.

6.3 Deposit

The Chargor must upon request by the Chargee:

- 6.3.1 immediately deposit with the Chargee, or as the Chargee may direct, all certificates and other documents of title or evidence of ownership in relation to any Investment; and
- 6.3.2 immediately execute and deliver to the Chargee all share transfers and other documents which may be requested by the Chargee in order to enable the Chargee or its nominees to be registered as the owner or otherwise obtain a legal title to any Investment.

6.4 Changes to rights

The Chargor shall not take or allow the taking of any action on its behalf which may result in the rights attaching to any of the Investments being altered or further Investments being issued.

6.5 Calls

- 6.5.1 The Chargor must pay all calls or other payments due and payable in respect of any Investment.
- 6.5.2 If the Chargor fails to do so, the Chargee may pay the calls or other payments in respect of any Investment on behalf of the Chargor. The Chargor must immediately on request reimburse the Chargee for any payment made by the Chargee under this Subclause.

6.6 Other obligations in respect of Investments

- 6.6.1 The Chargor must comply with all other conditions and obligations assumed by it in respect of any Investment.
- 6.6.2 The Chargee is not obliged to:
 - (a) perform any obligation of the Chargor;
 - (b) make any payment;
 - (c) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
 - (d) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,in respect of any Investment.

6.7 Voting rights and dividends

- 6.7.1 Before this Security becomes enforceable:
 - (a) the voting rights, powers and other rights in respect of the Investments must (if exercisable by the Chargee) be exercised in any manner which the Chargor may direct in writing; and
 - (b) all dividends or other income paid or payable in relation to any Investments may be retained by the Chargor.

6.7.2 The Chargor must indemnify the Chargee against any loss or liability incurred by the Chargee as a consequence of the Chargee acting in respect of the Investments as permitted by this Deed on the direction of the Chargor.

6.7.3 After this Security has become enforceable:

- (a) the Chargee may exercise (in the name of the Chargor and without any further consent or authority on the part of the Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise; and
- (b) all dividends, interest and other income forming part of the Investments shall be paid without any set-off or deduction whatsoever to a suspense account in the name of the Chargee and shall be retained by the Chargee and any such monies which may be received by the Chargor shall, pending such payment, be held in trust for the Chargee.

7. ACCOUNTS

7.1 General

In this Clause “**Account Bank**” means a person with whom a bank account is maintained by the Chargor.

7.2 Book debts and receipts

7.2.1 The Chargor must get in and realise its:

- (a) rent and other amounts due from tenants of the Mortgaged Property; and
- (b) book and other debts and other moneys due and owing to it,

in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an account if required by the Chargee) on trust for the Chargee.

7.2.2 The Chargor shall not factor, release, exchange, compound, set-off, grant indulgence in respect of, or in any other manner deal with any of the items referred to in Clause 7.2.1.

7.3 Notices of charge

The Chargor must upon the request of the Chargee:

- 7.3.1 immediately serve a notice of assignment, substantially in the form of Part I of Schedule 3 (Forms of letter for Account Bank), on each Account Bank; and
- 7.3.2 use reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part II of Schedule 3 (Forms of letter for Account Bank).

8. INTELLECTUAL PROPERTY RIGHTS

8.1 Documents of title

8.1.1 The Chargor must upon request by the Chargee immediately deposit (or procure the deposit) with the Chargee (to be held at the risk of the Chargor) all deeds, certificates and other documents of title relating to its Intellectual Property Rights including any licences relating to such Intellectual Property Rights.

8.1.2 The Chargor will immediately upon acquisition by it of any interest in any Intellectual Property Rights or upon registration of any Intellectual Property Rights in its name (whether separately or jointly with another person), deposit (or procure the deposit) with the Chargee (to be held at the Chargor's risk) all deeds, certificates and other documents of title relating to such Intellectual Property Rights including any licences relating to such Intellectual Property Rights.

8.2 Additional Intellectual Property Rights

The Chargor shall forthwith notify the Chargee of:

8.2.1 the creation of any new Intellectual Property Rights by it; and

8.2.2 the acquisition of any new Intellectual Property Rights by it,

and shall, if requested by the Chargee, execute further charges and/or assignments of such Intellectual Property Rights on substantially the terms of the charges and assignments of Intellectual Property Rights contained in this Deed. The Chargor shall bear the costs of such further charges and assignments.

8.3 Notice of assignment

The Chargor must upon the request of the Chargee serve notices of assignment substantially in the form of Part I of Schedule 7 (Intellectual Property Rights) in respect of the Assigned Intellectual Property Rights and will use reasonable efforts to procure an acknowledgement of each such notice substantially in the form of Part II of Schedule 7 (Intellectual Property Rights).

8.4 No liability for the Chargee

The Chargee shall have no liability to the Chargor for any breach or omission relating to the Intellectual Property Rights which are the subject of this Security.

9. HEDGING

The Chargor must upon the request of the Chargee:

9.1.1 immediately serve a notice of assignment, substantially in the form of Part I of Schedule 4 (Forms of letter for hedging counterparty), on each counterparty to any hedging arrangement to which it is a party; and

9.1.2 use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part II of Schedule 4 (Forms of letter for hedging counterparty).

10. INSURANCES

10.1 The Chargor must upon the request of the Chargee:

10.1.1 immediately serve a notice of assignment, substantially in the form of Part I of Schedule 5 (Forms of letter for Insurances), on each relevant insurer; and

10.1.2 use reasonable endeavours to ensure that such insurer acknowledges that notice, substantially in the form of Part II of Schedule 5 (Forms of letter for Insurances).

11. RELEVANT CONTRACTS

11.1 General

In this Clause ‘**Relevant Contract**’ means any agreement to which the Chargor is a party and which the Chargee has designated in writing as a Relevant Contract.

11.2 Notices of assignment

The Chargor must upon the request of the Chargee:

11.2.1 immediately serve a notice of assignment, substantially in the form of Part I of Schedule 6 (Forms of letter for Relevant Contracts), on each counterparty to a Relevant Contract; and

11.2.2 use reasonable endeavours to ensure that each such counterparty acknowledges that notice, substantially in the form of Part II of Schedule 6 (Forms of letter for Relevant Contracts).

12. WHEN SECURITY BECOMES ENFORCEABLE

12.1 Event of Default

This Security will become immediately enforceable if an Event of Default occurs.

12.2 Discretion

After this Security has become enforceable, the Chargee may in its absolute discretion enforce all or any part of this Security in any manner it sees fit.

12.3 Statutory powers

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

13. ENFORCEMENT OF SECURITY

13.1 General

13.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

13.1.2 Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

13.1.3 The statutory powers of leasing conferred on the Chargee are extended so as to authorise the Chargee to lease, make agreements for leases, accept surrenders of leases and grant options as the Chargee may think fit and without the need to comply with any provision of section 99 or 100 of the Act.

13.2 No liability as mortgagee in possession

Neither the Chargee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

13.3 Privileges

Each Receiver and the Chargee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act except that section 103 of the Act does not apply.

13.4 Protection of third parties

No person (including a purchaser) dealing with the Chargee or a Receiver or its or his Chargee will be concerned to enquire:

- 13.4.1 whether the Secured Liabilities have become payable;
- 13.4.2 whether any power which the Chargee or a Receiver is purporting to exercise has become exercisable or is being properly exercised.
- 13.4.3 whether any money remains due under the Finance Documents; or
- 13.4.4 how any money paid to the Chargee or to that Receiver is to be applied.

13.5 Redemption of prior mortgages

- 13.5.1 At any time after this Security has become enforceable, the Chargee may:
 - (a) redeem any prior security against any Security Asset; and/or
 - (b) procure the transfer of that security to itself; and/or
 - (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- 13.5.2 The Chargor must pay to the Chargee, immediately on demand, the costs and expenses incurred by the Chargee in connection with any such redemption and/or transfer, including the payment of any principal or interest.

13.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Chargee (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

13.7 Right of appropriation

- 13.7.1 To the extent that any of the Security Assets constitute “financial collateral” and this Deed and this Security and the obligations of the Chargor under this Deed constitute a “security financial collateral arrangement” (in each case defined in, and for the purposes of, the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No 3226) (the “Regulations”)), the Chargee shall have the right, at any time after this Security has become enforceable, to appropriate with immediate effect by notice in writing to the Chargor all or any part of such financial collateral in or towards payment and/or discharge of the Secured Liabilities in such order as the Chargee in its absolute discretion may determine.
- 13.7.2 The Parties agree that the value of any financial collateral appropriated under clause 13.7.1 above shall be:
 - (a) in the case of cash, the amount standing to the credit of the relevant account, together with any accrued but unposted interest, at the time the right of appropriation is exercised;
 - (b) in the case of Investments and any other financial collateral, their market price at the time the right of appropriation is exercised as determined by the Chargee by reference to a public index or by such other process as the Chargee may select, including independent valuation.

The Parties agree that the methods of valuation for financial collateral set out in this Deed constitute commercially reasonable methods of valuation for the purposes of the Regulations.

- 13.7.3 The Chargee shall account to the Chargor for any amount by which the value of any appropriated Security Assets exceeds the Secured Liabilities and the Chargor shall remain liable to the Chargee for any amount by which the value of any appropriated Security Assets is less than the Secured Liabilities.

13.8 No duty to exercise powers

The powers conferred on the Chargee by this Deed are solely to protect its interests in the Security Assets and shall not impose any duty on it to exercise any such powers. The Chargee shall not have any duty as to any Security Asset and shall incur no liability for:

- 13.8.1 ascertaining or taking action in respect of any calls, instalments, conversions, exchanges, maturities, tenders or other matters in relation to any Security Asset or the nature or sufficiency of any payment whether or not the Chargee has or is deemed to have knowledge of such matters; or
- 13.8.2 taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Security Asset.

14. RECEIVER AND ADMINISTRATOR

14.1 Appointment of Receiver or Administrator

- 14.1.1 Except as provided below, the Chargee may appoint any one or more persons to be a Receiver or Administrator of all or any part of the Security Assets if:
- (a) this Security has become enforceable; or
 - (b) the Chargor so requests the Chargee in writing at any time.
- 14.1.2 Any appointment of a Receiver under Clause 14.1.1 may be by deed, under seal or in writing under its hand.
- 14.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- 14.1.4 The Chargee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with the leave of the court.
- 14.1.5 The Chargee may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Chargee is prohibited from doing so by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

14.2 Removal

The Chargee may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

14.3 Remuneration

The Chargee may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

14.4 Agent of the Chargor

14.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.

14.4.2 The Chargee will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

14.5 Exercise of Receiver powers by the Chargee

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Chargee in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

15. POWERS OF RECEIVER

15.1 General

15.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law, this includes:

- (a) in the case of an administrative receiver, all the rights powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986 including, without limitation, those powers provided for in Schedule 1 of the Insolvency Act 1986.

15.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

15.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset.

15.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he thinks fit.

15.4 Employees

15.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration otherwise as he thinks fit.

15.4.2 A Receiver may discharge any person appointed by the Chargor.

15.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

15.6 Sale of assets

15.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any term which he thinks fit.

15.6.2 The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

15.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

15.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

15.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

15.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.

15.10 Receipts

A Receiver may give a valid receipt for any monies and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

15.11 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

15.12 Delegation

A Receiver may delegate his powers in accordance with this Deed.

15.13 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

15.14 Protection of assets

A Receiver may:

15.14.1 effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;

- 15.14.2 commence and/or complete any building operation; and
 - 15.14.3 apply for and maintain any planning permission, building regulation approval or any other Authorisation,
- in each case as he thinks fit.

15.15 Other powers

A Receiver may:

- 15.15.1 do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- 15.15.2 exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- 15.15.3 use the name of the Chargor for any of the above purposes.

16. APPLICATION OF PROCEEDS

16.1 Any moneys received by the Chargee or any Receiver after this Security has become enforceable must be applied in the following order of priority:

- 16.1.1 in or towards payment of or provision for all costs and expenses incurred by the Chargee or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed;
- 16.1.2 in or towards payment of or provision of Secured Liabilities; and
- 16.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of the Chargee to recover any shortfall from the Chargor.

17. EXPENSES AND INDEMNITY

17.1 The Chargor must:

- 17.1.1 immediately on demand pay all costs and expenses (including legal fees) incurred in connection with this Deed by the Chargee, Receiver, attorney, manager, agent or other person appointed by the Chargee under this Deed; and
- 17.1.2 keep each of them indemnified against any failure or delay in paying those costs or expenses; this includes any arising from any actual or alleged breach by any person of any law or regulation.

18. DELEGATION

18.1 Power of Attorney

The Chargee or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

18.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Chargee or any Receiver may think fit.

18.3 Liability

Neither the Chargee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

19. FURTHER ASSURANCES

19.1 The Chargor must, at its own expense, take whatever action the Chargee or a Receiver may require for:

- 19.1.1 creating, perfecting or protecting any security intended to be created by this Deed; or
- 19.1.2 facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Chargee or any Receiver or any of its delegates or sub-delegates in respect of any Security Asset.

This includes:

- 19.1.3 the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Chargee or to its nominee; or
- 19.1.4 the giving of any notice, order or direction and the making of any registration, which, in any such case, the Chargee may think expedient.

20. POWER OF ATTORNEY

20.1 The Chargor, by way of security, irrevocably and severally appoints the Chargee, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

21. PRESERVATION OF SECURITY

21.1 Continuing security

This Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

21.2 Reinstatement

- 21.2.1 If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by the Chargee in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.
- 21.2.2 The Chargee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

21.3 Waiver of defences

The obligations of the Chargor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to any Chargor or the Chargee). This includes:

- 21.3.1 any time or waiver granted to, or composition with, any person;

- 21.3.2 the release of any person under the terms of any composition or arrangement;
- 21.3.3 the taking, variation, compromise, exchange renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- 21.3.4 any non-presentation or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any security;
- 21.3.5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- 21.3.6 any amendment (however fundamental) of a Finance Document or any other document or security; or
- 21.3.7 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Finance Document or any other document or security.

21.4 Immediate recourse

The Chargor waives any right it may have of first requiring the Chargee (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed.

21.5 Appropriations

The Chargee (or any trustee or agent on its behalf) may at any time during the Security Period without affecting the liability of the Chargor under this Deed:

- 21.5.1 refrain from applying or enforcing any other monies, security or rights held or received by the Chargee (or any trustee or agent on its behalf) in respect of those amounts; or
- 21.5.2 apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise); and
- 21.5.3 hold in a suspense account any monies received from the Chargor or on account of the liability of the Chargor under this Deed.

21.6 Non-competition

21.6.1 Unless the Security Period has expired or the Chargee otherwise requests, the Chargor shall not, after a claim has been made under this Deed or by virtue of any payment or performance by it under this Deed:

- (a) be subrogated to any rights, security or monies held, received or receivable by the Chargee (or any trustee or agent on its behalf);
- (b) be entitled to any right of contribution or indemnity in respect of any payment made or monies received on account of the Chargor's liability under this Deed;
- (c) claim, rank, prove or vote as a creditor of the Chargor or its estate in competition with the Chargee (or any trustee or agent on its behalf); or
- (d) receive, claim or have the benefit of any payment, distribution or security from or on account of the Chargor, or exercise any right of set-off as against the Chargor.

21.6.2 The Chargor must hold in trust for and immediately pay or transfer to the Chargee any payment or distribution or benefit of security received by it contrary to this Clause or in accordance with any directions given by the Chargee under this Clause.

21.6.3 The Chargee shall be entitled to direct the Chargor or any co-guarantor to prove for the whole or any part of any debt or other claim that one or more of them may have in the liquidation or bankruptcy of another of them to the fullest extent permitted by law and such direction shall not affect the Chargor's liability or give the Chargor any recourse against the Chargee.

21.7 Additional security

This Security is in addition to and is not in any way prejudiced by any other security now or subsequently held by the Chargee.

22. MISCELLANEOUS

22.1 Covenant to pay

The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

22.2 Tacking

The Chargee must perform its obligations under the Finance Documents (including any obligation to make available further advances).

22.3 New accounts

22.3.1 If any subsequent charge or other interest affects any Security Asset, the Chargee may open a new account with the Chargor.

22.3.2 If the Chargee does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

22.3.3 As from that time all payments made to the Chargee will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

22.4 Time deposits

Without prejudice to any right of set-off the Chargee may have under any other Finance Document or otherwise, if any time deposit matures on any account the Chargor has with the Chargee within the Security Period when:

22.4.1 this Security has become enforceable; and

22.4.2 no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which the Chargee considers appropriate.

22.5 Cumulative remedies

The rights, powers and remedies provided in this Deed are cumulative and are not, nor are they to be construed as, exclusive of any rights, powers or remedies provided by law or otherwise and may be exercised from time to time and as often as the Chargee deems expedient.

22.6 Severance

22.6.1 If any provision of this Deed shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or

unenforceability shall not affect the other provisions of this Deed which shall remain in full force and effect.

- 22.6.2 If any provision of this Deed is so found to be invalid or unenforceable but would be valid or enforceable if some part of the provision were deleted, the provision in question shall apply with such deletion(s) as may be necessary to make it valid.

22.7 Amendment

22.7.1 No modification or variation of this Deed (or any document entered into pursuant to or in connection with this Deed) shall be valid unless it is in writing and signed by or on behalf of each of the Parties to this Deed. For the avoidance of doubt, no modification or variation of this Deed shall be valid if made by e-mail.

22.7.2 Unless expressly so agreed, no modification or variation of this Deed shall constitute or be construed as a general waiver of any provisions of this Deed, nor shall it affect any rights, obligations or liabilities under this Deed which have already accrued up to the date of such modification or waiver, and the rights and obligations of the Parties under this Deed shall remain in full force and effect, except and only to the extent that they are so modified or varied.

22.8 Waivers

No failure or delay or other relaxation or indulgence on the part of the Chargee to exercise any power, right or remedy shall operate as a waiver thereof nor shall any single or partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

22.9 Counterparts

This letter may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this letter.

23. RELEASE

23.1 At the end of the Security Period, the Chargee must, at the request and cost of the Chargor, take whatever action is necessary to release the Security Assets from this Security.

24. NOTICES

24.1 Any notice, demand or other document to be given under the Finance Documents:

- 24.1.1 must be in writing;
- 24.1.2 may be given to the Chargor at its registered offices for the time being;
- 24.1.3 may be given to the Chargee at its registered offices for the time being; and
- 24.1.4 shall be deemed to have been served:
 - (a) if delivered by hand, at the time of delivery; or
 - (b) if posted, at 10.00 a.m. on the second (or, in the case of air mail, fourth) Business Day after it was put into the post; or
 - (c) if sent by facsimile on receipt of a successful transmission report, or if despatched after 5.00 p.m. on any Business Day at 10.00 am on the Business Day following the date of receipt of a successful transmission report.

25. ASSIGNMENT AND TRANSFER

25.1 Assignment by the Chargor

The Chargor may not assign, transfer or otherwise part with its rights or obligations under this Deed.

25.2 Assignment by the Chargee

The Chargee may at any time transfer, assign or novate all or any part of its respective right, benefits or obligations under this Deed to any person to whom the Chargee transfers any Finance Document.

26. APPLICABLE LAW AND JURISDICTION

26.1 Applicable Law

The validity, construction and performance of this Deed (and any claim, dispute or matter arising under or in connection with it or its enforceability) and any non-contractual obligations arising out of or in connection with it shall be governed by and constructed in accordance with the law of England and Wales.

26.2 Jurisdiction

The Chargor irrevocably agrees for the exclusive benefit of the Chargee that the English courts shall have exclusive jurisdiction over any claim, dispute or matter arising under or in connection with this Deed or its enforceability and any non-contractual obligations arising out of or in connection with it and that accordingly any proceedings in respect of any such claim, dispute or matter may be brought in such courts. Nothing in this Clause shall limit the right of the Chargee to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction or jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction or jurisdictions.

This Deed has been executed and delivered by or on behalf of the Parties on the date at the top of page 1.

SCHEDULE 1

Real Property

The leasehold property known as Elephant and Castle Shopping Centre, Elephant and Castle, London (SE1 6TE) registered at the Land Registry under title number TGL340344.

The leasehold property known as 114-119, The Arches, New Kent Road, London, registered at the Land Registry under title number TGL326219.

The leasehold property known as the former highway known as Ostend Place, London, registered at the Land Registry under title number TGL340343.

The leasehold property known as the land at Elephant & Castle Station, Elephant Road, London, registered at the Land Registry under title number TGL343274.

SCHEDULE 2

Forms of letter for occupational tenants

Part I Notice to occupational tenant

[On the letterhead of the Chargor]

To: [Occupational tenant]

[Date]

Dear Sirs,

Re: [PROPERTY]

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

We refer to the lease dated [●] and made between [●] and [●] (the “Lease”).

This letter constitutes notice to you that under the Debenture we have assigned by way of security to Elephant & Castle Properties Co. Limited (the “Chargee”) all our rights under the Lease.

We irrevocably instruct and authorise you to pay any rent payable by you under the Lease to our account at [●], Account No. [●], Sort Code [●] (the “Rent Account”).

The instructions in this letter apply until you receive notice from the Chargee to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Chargee.

This letter and any non-contractual obligations arising out or in connection with it are governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Chargee at Craigmuir Chambers, P.O. 71, Road Town, Tortola, British Virgin Islands with a copy to ourselves.

Yours faithfully,

For

Elephant and Castle Properties Limited

Part II Acknowledgement of Occupational Tenant

To: Elephant & Castle Properties Co. Limited
Attention: [ATTENTION]

[Date]

Dear Sirs,

Re: [PROPERTY]

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

We confirm receipt from Elephant and Castle Properties Limited (the “**Chargor**”) of a notice dated [●], 20[●] (the “**Notice**”) in relating to the Lease (as defined in the Notice).

We accept the instructions contained in the Notice.

We confirm that we:

1. have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease (as defined in the notice); and
2. must pay all rent and all other moneys payable by us under the Lease into the Rent Account (as defined in the notice); and
3. must continue to pay those moneys into the Rent Account until we receive your written instructions to the contrary.

This letter and any non-contractual obligations arising out or in connection with it are governed by English law.

Yours faithfully,

.....

For

[Occupational Tenant]

SCHEDULE 3

Part I: Notice to Account Bank

[On the letterhead of the Chargor]

To: [Account Bank]

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

This letter constitutes notice to you that under the Debenture we have charged (by way of a first fixed charge) in favour of Elephant & Castle Properties Co. Limited (the “Chargee”) all our rights in respect of any amount standing to the credit of any account maintained by us with you (the “Accounts”).

We irrevocably instruct and authorise you to:

1. disclose to the chargee any information relating to any account requested from you by the chargee;
2. comply with the terms of any written notice or instruction relating to any account received by you from the chargee; and
3. pay or release any sum standing to the credit of any account in accordance with the written instructions of the chargee.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Chargee.

This letter and any non-contractual obligations arising out or in connection with it are governed by English law. Please confirm your agreement to the above by sending the attached acknowledgement to the Chargee at [] with a copy to ourselves.

Yours faithfully,

.....

(Authorised Signatory)

Elephant and Castle Properties Limited

Part II: Acknowledgement of Account Banks

[On the letterhead of the Account Bank]

To: Elephant & Castle Properties Co. Limited

Copy: Elephant and Castle Properties Limited

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

We confirm receipt from Elephant and Castle Properties Limited (the “Chargor”) of a notice dated [●], 20[●] of a charge upon the terms of the Debenture over all the rights of the Chargor to any amount standing to the credit of any of the Chargor’s accounts with us (the “Accounts”).

We confirm that we:

1. accept the instructions contained in the notice and agree to comply with the notice;
2. have not received notice of the interest of any third party in any Account;
3. have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counterclaim or other right in respect of any Account; and
4. will not permit any amount to be withdrawn from any Account without your prior written consent.

The Accounts maintained with us are:

[Specify accounts and account numbers]

This letter and any non-contractual obligations arising out or in connection with it are governed by English law

Yours faithfully,

.....

(Authorised Signatory)

[Account Bank]

SCHEDULE 4

Forms of letter for Hedging Counterparty

Part I: Notice to Hedging Counterparty

[on letterhead of the Chargor]

To: [Counterparty]

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

This letter constitutes notice to you that under the Debenture we assigned (by way of security) to Elephant & Castle Properties Co. Limited (the “Chargee”) all our rights under any hedging arrangements between yourselves and ourselves (the “Hedging Arrangements”).

We irrevocably instruct and authorise you to:

1. disclose to the Chargee without any reference to or further authority from us and without any inquiry by you as to the justification for the disclosure, any information relating to the Hedging Arrangements which the Chargee may request from you; and
2. pay any sum payable by you under the Hedging Arrangements to our account with Elephant & Castle Properties Co. Limited at [●], Sort Code [●], Account No. [●].

This letter and any non-contractual obligations arising out or in connection with it are governed by English law.

Please confirm your agreement to the above by sending the enclosed acknowledgement to the Chargee with a copy to ourselves.

Yours faithfully,

.....

(Authorised signatory)

Elephant and Castle Properties Limited

Part II: Acknowledgement of Hedging Counterparty

To: Elephant & Castle Properties Co. Limited

Copy: Elephant and Castle Properties Limited

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

We confirm receipt from Elephant and Castle Properties Limited (the “Chargor”) of a notice dated [●], 20[●] (the “Notice”) of a charge upon the terms of the Debenture of all the Chargor’s rights under the Hedging Arrangements (as defined in the Notice).

We confirm that we:

1. have not received notice of the interest of any third party in the Hedging Arrangements;
2. must pay any amount payable by us under the Hedging Arrangement to the Chargor’s account with you at [●], sort code [●], account no. [●]; and
3. must accept your instructions in relation to the Chargor’s rights under the Hedging Arrangements.

This letter and any non-contractual obligations arising out or in connection with it are governed by English law

Yours faithfully,

.....

(Authorised signatory)

[HEDGING COUNTERPARTY]

SCHEDULE 5

Form of letter for Insurance

Part I: Form of notice of assignment

[On the letterhead of the Chargor]

To: [Insurer]

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

This letter constitutes notice to you that under the Debenture we have assigned in favour of Elephant & Castle Properties Co. Limited (the “Chargee”) all our rights in [the][each] insurance policy referred to in the schedule to this notice (including all monies payable thereunder and the proceeds of all related claims, awards and judgments) which have been issued to and accepted by us (and all other insurances entered into, supplemental to or in replacement of [each] such policy of insurance) ([the][each a] “Policy” [and together the “Policies”]).

We hereby notify and irrevocably instruct you as follows:

1. we will remain liable to perform all our obligations under [the][each] Policy and the Chargee is under no obligation or liability of any kind whatsoever to any person either under [the][any] Policy or in the event of any failure by us to perform our obligations under [the][any] Policy. Save as otherwise set out below, you will continue to deal with us in relation to [the][each] Policy until you receive notice to the contrary from the Chargee. Thereafter, we will cease to have any right to deal with you in relation to [the][that] Policy and from that time, you should deal only with the Chargee.
2. you are authorised to disclose information in relation to [the][any] Policy to the Chargee on its request.

The instructions in this letter may not be varied or revoked without the prior written consent of the Chargee.

This letter and all non-contractual obligations arising out of it shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it within 7 days of receiving this letter by sending a letter in the enclosed form direct to the Chargee at [●] marked for the attention of [●].

Yours faithfully,

.....

Elephant and Castle Properties Limited

(Director/Duly authorised signatory).

Schedule

[insert details of the insurance policy/ies]

Policy No.	Insurer/s	Insured party/parties	Insurance type	Level of cover	Date and period of insurance
[●]	[●]	[●]	[●]	[●]	[●] to [●]

Part II: Form of acknowledgement

[On the letterhead of the relevant insurer]

To: Elephant & Castle Properties Co. Limited as Chargee

Copy: Elephant and Castle Properties Limited

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

We acknowledge receipt of a notice dated [●] (the “Notice”) and addressed to us by Elephant and Castle Properties Limited (the “Chargor”) in relation to the Polic[y][ies] (as defined in the Notice).

We accept the instructions and authorisations contained in the Notice and undertake to act in accordance and comply with the terms thereof.

We confirm that we have not received notice of any assignment of or charge over any of the rights, title or interests specified in the Notice and will make all payments to the relevant account/accounts specified in the Notice.

We further confirm that:

1. [we have noted the Chargee’s interest as [co-insured][mortgagee] and first loss payee on [the][each] Policy; and]
2. we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other rights relating to [the][any] Policy.

This letter and all non-contractual obligations arising out of it shall be governed by and construed in accordance with English law.

Yours faithfully,

.....

[INSURER]

(Director/Duly authorised signatory)

SCHEDULE 6

Forms of letter for Relevant Contracts

Part I: Notice to Counterparty

[On letterhead of the Chargor]

To: [Contract party]

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

This letter constitutes notice to you that under the Debenture we have assigned by way of security to Elephant & Castle Properties Co. Limited (the “Chargee”) all our rights in respect of [*insert details of Contract*] (the “Contract”).

We confirm that:

1. we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
2. none of the Chargee, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices under the Contract to us, unless and until you receive notice from the Chargee to the contrary stating that the security has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given to, the Chargee or as it directs.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior consent of the Chargee.

This letter and any non-contractual obligations arising out or in connection with it are governed by English law

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Chargee at Craigmuir Chambers, P.O. 71, Road Town, Tortola, British Virgin.

Yours faithfully,

.....

Elephant and Castle Properties Limited

(Authorised signatory)

Part II: Acknowledgement of Counterparty

To: Elephant & Castle Properties Co. Limited as Chargee

Copy: Elephant and Castle Properties Limited

[Date]

Dear Sirs,

We confirm receipt from Elephant and Castle Properties Limited (the “**Chargor**”) of a notice dated [] 20[] of an assignment on the terms of the Debenture dated [], 20[] of all the Chargor’s rights in respect of [*insert details of the Contract*] (the “**Contract**”).

We confirm that we will pay all sums due, and give notices, under the Contract as directed in that notice.

This letter and any non-contractual obligations arising out or in connection with it are governed by English law

Yours faithfully,

.....

(Authorised signatory)

[Counterparty]

SCHEDULE 7

Intellectual Property Rights

Part I: (Form of notice of assignment of Intellectual Property Rights)

[on letterhead of the Chargor]

To: [Name of intellectual property user]

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

This letter constitutes notice to you that under the Debenture we assigned (by way of security) to Elephant & Castle Properties Co. Limited (the “Chargee”) all our rights under [insert description of Assigned Intellectual Property Rights] (the “Intellectual Property Rights”).

We irrevocably instruct and authorise you to:

1. [disclose to the Chargee without any reference to or further authority from us and without any inquiry by you as to the justification for the disclosure, any information relating to the Intellectual Property Rights which the Chargee may request from you; and
2. pay any sum payable by you under the Intellectual Property Rights to our account with [the Chargee] at [●], Sort Code [●], Account No. [●].]

This letter and any non-contractual obligations arising out or in connection with it are governed by English law

Please confirm your agreement to the above by sending the enclosed acknowledgement to the Chargee with a copy to ourselves.

Yours faithfully,

.....

(Authorised signatory)

Elephant and Castle Properties Limited

Part II: Acknowledgement

To: Elephant & Castle Properties Co. Limited

Copy: Elephant and Castle Properties Limited

[Date]

Dear Sirs,

Debenture dated [●], 20[●] between Elephant and Castle Properties Limited and Elephant & Castle Properties Co. Limited (the “Debenture”)

We confirm receipt from Elephant and Castle Properties Limited (the “Chargor”) of a notice dated [●], 20[●] (the “Notice”) of a charge upon the terms of the Debenture of all the Chargor’s rights under the Intellectual Property Rights (as defined in the Notice).

We confirm that we:

1. [have not received notice of the interest of any third party in the Intellectual Property Rights;
2. must pay any amount payable by us under the Intellectual Property Rights to the Chargor’s account with you at [●], Sort Code [●], Account No. [●]; and
3. must accept your instructions in relation to the Chargor’s rights under the Intellectual Property Rights.]

This letter and any non-contractual obligations arising out or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[NAME OF INTELLECTUAL PROPERTY USER]

SIGNATURE PAGES

CHARGOR

EXECUTED as a deed and delivered
by ELEPHANT AND CASTLE
PROPERTIES LIMITED
acting by John Kephart
and Mabel Tan

)
)
)
)
)
Director
.....
Authorised signatory

CHARGE

EXECUTED as a deed by)
ELEPHANT & CASTLE PROPERTIES)
CO. LIMITED)
a company incorporated in)
the British Virgin Islands, acting by)
and)
who, in accordance with the)
laws of that territory, are acting under the)
authority of the company)

Signature in the name of the company

ELEPHANT & CASTLE PROPERTIES CO.
LIMITED

 John Kephart
Signature:

Authorised signatory


Signature:

Authorised signatory